Third Member of Council.—

Not necessary.

Mr. K. T. Seshaiya.—

To prevent over-crowding and fast driving, is it not possible to make the Police always travel in the buses ?

The Dewan.—

The matter is being looked into.

GOVERNMENT BUSINESS

II. Statement of the General Principles of the proposed amendment of the Mysore Securities Regulation.

In the present Mysore Securities Regulation VIII of 1925, there is no provision:—

(i) for the issue of duplicates in cases where securities have been stolen.

(ii) for cancellation of an order for the issue of a duplicate security when the original security alleged to have been lost, stolen or destroyed is subsequently found at any time before the obligation is discharged.

Further, there is necessity for a clear provision being made to the effect that interest is not payable after the earliest date on which the payment of the amount due on any security could have been demanded.

The proposed legislation aims at remedying these defects and omissions.

THE LEGAL REMEMBRANCER TO GOVERNMENT explained the general principles of the proposed measure as above.

MR. SUBBARAMA SETTY enquired why interest should not be levied after the security became due. He thought that interest should not be stopped.

THE SECOND MEMBER OF COUNCIL replied that if the holder of a bond did not take payment after it was notified for discharge according to the conditions of its issue, there was no justification to continue to pay interest on the bond.

The principles were thereupon accepted by the House.

III. Bill to regulate the Working of Cotton Ginning and Pressing Factories in the State.

Statement of Object and Reasons.

The Government of India have recently framed on the recommendation of the Indian Central Cotton Committee an Act called "The Cotton Ginning and Pressing Factories Act No. XII of 1925," with the object of putting the cotton trade in a position to protect itself against such malpractices as damping, mixing and adulteration in the ginning and pressing factories.

As a result of the important breeding work on cotton on the Babbur Farm, two superior varieties of cotton *(Sanna hatti* and *Dodda hatti)* have been evolved in the State and their introduction is expected to considerably improve the quality of the Mysore cotton. It is considered that a Regulation on the lines of the Government of India Act will serve to help the introduction of an improved variety of cotton in the State and to keep up its reputation.

A draft Bill on the lines of the British India Act has accordingly been prepared. The proposed legislation will put the trade in a position to protect itself, by providing for the making of bales and the record of ownership and by providing further that unmarked bales are not tenderable in fulfilment of a contract, if marked bales are demanded by the purchaser. The Bill also makes provision for the maintenance of registers, for statistical returns, for the use of correct scales and weights and for the structural improvement of ginning and pressing factories. The obligations imposed on the factory owners are not of a very onerous character. The Bill merely requires the factory owners to do only that which many factories properly organised already do in their own interests. A recognised press mark will, in course of time, become an important asset to a good pressing factory.

The Director of Agriculture and the Board of Industries and Commerce who were consulted have expressed themselves in favour of the introduction of the legislation in question.

Statement of General Principles of the Bill.

The legislation is mainly on the lines of "The Cotton Ginning and Pressing Factories Act No. XII of 1925," of the Government of India. The Bill aims at putting the

cotton trade in a position to protect itself against such malpractices as damping, mixing and adulteration in the ginning and pressing factories.

The Agricultural Department of the State has successfully evolved two superior varieties of cotton (*Sanna hatti* and *Dodda hatti*) whose introduction in the State is expected to considerably improve the quality of the Mysore cotton. It is considered that a Regulation on the lines of the Government of India Act will serve to help the introduction of an improved variety of cotton in the State and to keep up its reputation.

Enquiries have shown that the mixing is done after the cultivator has sold his cotton and that it is done mainly in the ginning and pressing factories. The proposed legislation deals therefore with only factory owners.

The Obligations Imposed on the Factory Owners.

(1) Under the proposed legislation, every owner of a pressing factory is bound to have all the bales pressed in the factory marked, before they are removed from the press house, in a prescribed manner, with a serial number and with a mark prescribed for the factory.

(2) Most of the presses are even now in the habit of using their own marks and such marking will be made obligatory under the proposed Regulation.

(3) The factory owner will be required to have records maintained of all bales pressed with particulars of persons for whom they are pressed. Here also the obligation which will be imposed by the Regulation will be nothing new as most presses already maintain records of all cotton pressed, especially when they press for more than one client.

(4) Every gin-owner will be required to maintain a record of all cotton ginned and for whom it is ginned. Both will be required to produce their records or copies of any entries therein if called upon to do so by the authorities that may be appointed by the Government.

The following are some of the additional features of the Bill:—

1. All pressing factories should submit periodical returns of the number of bales pressed.

2. In ginning andpressing factories only recognised weights shall be used.

3. New factories should comply with certain require-

ments regarding structural improvements. On account of the faulty construction of several factories, the cotton ginned in them is seriously damaged. It is, therefore, provided that the construction of all future factories should conform to certain standards.

A Bill to provide for the better Regulation of Cotton Ginning and Cotton Pressing Factories.

Whereas it is expedient to provide for the better regulation of cotton ginning and cotton pressing factories, it is hereby enacted as follows:—

Short title, extent and commencement.

1. (1) This Regulation may be called the Cotton Ginning and Pressing Factories Regulation, 192 .

(2) It extends to the whole of Mysore.

(3) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.

Definitions.

2. In this Regulation, unless there is anything repugnant in the subject or context,

(*a*) "Bale" means any pressed package of cotton of whatever size or density;

(*b*) "Cotton" means ginned or unginned cotton, or cotton waste;

(*c*) "Cotton ginning factory" means any place where cotton is ginned or where cotton fibre is separated from cotton seed by any process whatever involving the use of steam, water or other mechanical power or of electrical power;

(*d*) "Cotton pressing factory" means any factory as defined in the Mysore Factories Regulation, No. III of 1914, in which cotton is pressed into bales;

(*e*) "Cotton waste" means droppings, strippings, fly and other waste products of a cotton mill or of a cotton ginning factory or of a cotton pressing factory, but does not include yarn waste;

(*f*) "Occupier" includes a managing agent or other person authorised to represent the occupier;

(*g*) "Prescribed" means prescribed by or under rules made under this Regulation.

Maintenance of registers.

3. (1) The owner of every cotton ginning factory shall cause to be maintained at the factory in such form, if any, as may be prescribed, a ginning register containing a record of all cotton ginned in the factory and of the names of the persons for whom and the dates on which the cotton has been ginned and of the amount ginned for each person.

(2) The owner of every cotton pressing factory shall cause to be maintained at the factory in such form, if any, as may be prescribed, a press register containing a daily record of the number of bales pressed in the factory, the serial number of each bale, and the name of the persons for whom it has been pressed.

(3) The owner or the person in charge of a cotton ginning or cotton pressing factory shall be bound to produce any ginning register or press register maintained under this section or a copy of any entry therein certified as correct by the owner or person in charge of the factory, when required to do so by any person appointed by the Government in this behalf.

(4) No register required to be maintained by this section shall be destroyed until after the expiration of three years from the date of the last entry therein.

(5) If, (*a*) in any factory any register required by this section to be maintained is not maintained or is maintained in any form other than the form, if any, prescribed for the purpose, or

(*b*) any entry in any such register is proved to be false in any material particular, or

(*c*) any such register is destroyed before the expiration of the period referred to in sub-section (4), the owner of the factory shall be punished with fine which may extend to fifty rupees or; if he has previously been convicted of any offence under this sub-section, to five hundred rupees.

(6) If the owner or the person in charge of any factory fails to produce any register, or to furnish a certified copy (of any entry), when required to do so under sub-section (3) or furnishes a certified copy (of any entry) knowing or having reason to believe such copy to be false, he shall be punished with fine which may extend to fifty rupees, or, if he has previously been convicted of any offence under this sub-section, to five hundred rupees.

Marking of bales.

4. (1) The owner of every cotton pressing factory shall cause every bale pressed in the factory to be marked in such manner as may be prescribed, before it is removed from the press house, with a serial number and with the mark prescribed for the factory.

(2) If any bale is removed from the press house of any cotton pressing factory without having been marked as required by sub-section (1) the owner of the factory shall be punished with fine which may extend to fifty rupees.

Returns.

5. (1) The owner of every cotton pressing factory shall submit to the prescribed authority, within such time and in such form as may be prescribed, weekly returns showing the total number of bales of cotton pressed during the preceding week and from the commencement of the season to the end of that week, and the approximate average net weight of the bales pressed in that week.

(2) The Government shall compile from the weekly returns and shall publish a statement showing the total number of bales pressed in the State during the week and from the commencement of the season to the end of the week, to which returns relate;

Provided that the number of bales pressed in any individual factory shall not be published.

(3) If default is made in submitting any return as required by sub-section (1), the owner of the factory shall be punished with fine which may extend to fifty rupees.

(4) Where the owner of a cotton pressing factory has notified to the prescribed authority that the work of pressing bales in that factory has been suspended, it shall not be necessary for the owner to submit returns under sub-section (1) until such work has been resumed.

Explanation.—In this section "season" means the period notified in this behalf by Government in the Official Gazette.

Scales and Weights.

6. (1) No scales or weights shall be used in any cotton ginning or cotton pressing factory other than the scales or weights, if any, prescribed by the Government as standard for the district in which the factory is situated.

(2) If, in any factory, any scale or weight is used in contravention of the provisions of sub-section (1), the owner of the factory shall be punished with fine which may extend to fifty rupees or, if he has been previously convicted

of any offence under this sub-section, to five hundred rupees.

Liability of lessee as owner.

7. (1) Where the owner of a cotton ginning or pressing factory has leased the factory for a period of not less than one month, in the case of a cotton ginning factory, or three months in the case of a cotton pressing factory, and the lessor retains no interest in the management or profits of the factory and notice of the lease has been given by the lessor and the lessee to the prescribed authority, the lessee shall be deemed to be the owner of the factory, from the date of the notice and for the period of the continuance of the lease, for the purposes of section 3, in respect of the registers maintained or to be maintained from that date and for that period, and for the purposes of sections 4, 5 and 6.

(2) On the termination of the lease, the lessee shall hand over to the lessor the registers maintained under section 3, and the lessor shall forthwith report to the prescribed authority any default of the lessee in complying with the provisions of this sub-section or in maintaining the registers in accordance with the provisions of section 3.

(3) If default is made in handing over any register or making any report as required by this section, the lessor, or the lessee, as the case may be, shall be punished with fine which may extend to fifty rupees.

Liability on transfer of ownership.

8. (1) On a transfer of the ownership of a cotton ginning or pressing factory, the transferrer shall hand over to the transferee the registers maintained under section 3, and the transferee shall forthwith report to the prescribed authority any default of the transferrer in complying with the provisions of this sub-section or in maintaining the registers in accordance with the provisions of section 3.

(2) If default is made in handing over any register or making any report as required by sub-section (1), the transferrer or the transferee, as the case may be, shall be punished with fine which may extend to fifty rupees.

Structural requirements for factories.

9. (1) In the case of cotton ginning factories the construction of which is commenced after the commencement of this Regulation, (*a*) gin-houses shall be provided with separate entrances and exits for the bringing in of unginned and the taking out of the ginned cotton respectively, and (*b*) the factories shall be constructed in accordance with plans and specifications approved by the prescribed authority;

Provided that nothing in this sub-section shall apply to any factory in which only roller gins are used where the number of such gins is not more than four.

(2) Within such period after the commencement of this Regulation as may be prescribed, the owner of every cotton pressing factory in which cotton is handled on the ground-floor shall cause the press-house to be paved or provided with other suitable flooring to the satisfaction of the prescribed authority.

(3) If the owner of any factory fails to comply with any provision of this section which is applicable to the factory, he shall be punished with fine which may extend to one hundred rupees.

(4) (*a*) Where the owner of a factory has been convicted under sub-section (3), the prescribed authority may serve on the owner of the factory an order in writing directing that such alterations shall be made in the factory, before a specified date, as in the opinion of the said authority are necessary to secure compliance with the provisions of sub-section (1) or sub-section (2), as the case may be.

(*b*) Where the alterations are not made in accordance with the order served under clause (*a*) of this sub-section, the prescribed authority may serve on the owner and on the occupier, if any, of the factory, an order in writing directing that the work of ginning or pressing cotton in such factory shall be suspended until the alterations have been made in accordance with the order served under clause (*a*) of this sub-section and the owner and the occupier, if any, shall be jointly and severally liable to a fine which may extend to fifty rupees for each day on which cotton is ginned or pressed in the factory in contravention of the order under this clause.

Liability of officers of a company.

10. Where the person guilty of an offence under this Regulation is a company, every director, manager, secretary and other officer thereof who is knowingly a party to the default shall also be guilty of the like offence and liable to the punishment.

Cognizance of officers.

11. (1) No prosecution under this Regulation shall be instituted except by or with the previous sanction of the District Magistrate or a Magistrate of the first class specially empowered in this behalf by the Government.

(2) No offence punishable under this Regulation

shall be tried by any court inferior to that of a Magistrate of the first class.

Power of the Government to make rules.

12. (1) The Government may make rules to carry out all or any of the purposes of this Regulation not inconsistent therewith.

(2) In particular and without prejudice to the generality of the foregoing power, the Government shall have power to make rules to provide for

(*a*) the allotment of a special mark to be used by each pressing factory for the purpose of the marking of bales ;

(*b*) the manner in which bales shall be marked ;

(*c*) the manner in which the weekly statements referred to in section 5 shall be published ;

(*d*) the forms in which registers, and returns are to be maintained or submitted, and the inspection of records and registers ;

(*e*) the appointment of the authority to whom and the time within which the returns required by section 5 shall be made ;

(*f*) the weights and scales to be used in cotton ginning and cotton pressing factories in any district in the State and the inspection of the same ;

(*g*) the appointment of authorities for the purposes of the sections 7, 8 and 9 ;

(*h*) the manner of service of orders made under section 9 ;

(*i*) the powers of entry and inspection which may be exercised by District Magistrates or by any officer specially empowered in this behalf by the Government ;

(*j*) any other matter which is to be or may be prescribed or for which provision is necessary in order to carry out the purposes of this Regulation.

Power to reject unmarked bales in fulfilment of contracts.

13. After the expiration of one year from the commencement of this Regulation, any person who has made a contract for the purchase of baled cotton may require that no bales other than bales marked in accordance with section 4 shall be supplied in fulfilment of such contract, and, if he does so require, no bale not so marked shall be tendered in fulfilment of the contract ;

Provided that nothing in this section shall apply to a contract for the sale and delivery of cotton grown before, or less than one year after, the commencement of this Regulation.

14. No suit or other legal proceeding shall be instituted against any person in respect of anything which is in good faith done or intended to be done under this Regulation.

Protection for acts done under Regulation.

THE LEGAL REMEMBRANCER TO GOVERNMENT explained the general principles as above.

MR. H. C. DASAPPA enquired what the inconvenience to the raiyats at present was and why such a Regulation was necessary in Mysore.

THE SECOND MEMBER OF COUNCIL replied that the raiyats who were growing superior kinds of cotton could not, under the existing conditions, obtain proper value for them. The Agricultural Department had, after many experiments, discovered some varieties of cotton which on account of their quality could command a better price, if not mixed with inferior kinds of cotton. The mixture mostly took place in ginning factories and the attempts to spread the cultivation of the superior class of cotton were also frustrated by the mixing of seeds. The reputation of the superior kinds of cotton should be maintained and the best value obtained for them. Mixing and other practices which adversely affected trade in cotton should be prevented. There was a law of this kind in British India and many Indian States had followed it. There was need for a similar measure in Mysore and hence the present proposal.

THE THIRD MEMBER OF COUNCIL added that there was always a complaint in big cotton markets that good varieties of cotton were mixed with bad and brought to sale with the result that the name of even very good varieties was considerably jeopardised. A Regulation to prevent such malpractices became therefore absolutely necessary.

MR. B. LINGE GOWDA said that he had experience of growing *Sanna hatti* in the Chitaldrug District in the Babbur Farm. He thought that the variety produced at the Farm was a very good one and that the ginning percentage was also very much more than that of other varieties. He added that the production of *Sanna hatti* was spreading in Chitaldrug but the difficulty was that it was mixed even in the Babbur Farm itself. To prevent such a mixture, he thought that a legislation of the kind now placed before the House, was very necessary.

MR. CHANNABASAPPA said that the cotton trade is restricted to only three taluks in the Chitaldrug District,

where there were ginning factories. He did not think that mixing the cotton was done in the ginning and pressing factories. The factory people were not traders. Their business was merely to gin and press the cotton that was brought to them by traders and they had absolutely nothing to do with either mixing or damping the cotton brought to them. If such a thing were done, it would be only by the traders.

With reference to the difficulties to the traders referred to by Government, he said that the purchaser himself did not purchase without previous examination and that such being the case, there was no reason why any responsibility for keeping accounts should be placed on the factory owners. It was the trader that brought the cotton for sale and it was he that was responsible for its quality. He therefore thought that the factory owners being merely contractors paid for a particular kind of work entrusted to them, they should not be made responsible for anything beyond their legitimate duties and that the real responsibility for the quality of the cotton and other things should lie on the traders themselves.

THE LEGAL REMEMBRANCER TO GOVERNMENT said that it was not proposed under the measure to force any responsibility on the factory owners beyond requiring them to keep proper accounts.

MR. CHANNABASAPPA said that every trader employed his own distinctive trade mark for the bales that he sent for sale without Government asking him to do it. He did not think the mark in the ginning factory represented the quality of the cotton. It was the mark of the trader that would count. With reference to the cultivators themselves, he observed that even they should be made responsible for the reason that they themselves used mixed seeds with the result that cotton got mixed, when it left the fields. While such was the case, he did not see how restrictions were called for on the factory owners.

THE THIRD MEMBER OF COUNCIL said that there was no trouble to the factory owners beyond keeping accounts.

MR. CHANNABASAPPA did not see how by keeping proper accounts, mixing would be prevented.

THE THIRD MEMBER OF COUNCIL replied that at present, it was difficult to know which material came from which place and this information could be ascertained, if the factory owners kept proper accounts of the cotton received by them for ginning, from different people.

MR. CHANNABASAPPA still thought that there was no necessity for a measure of this kind in spite of the fact that it was in force in British India.

DR. COLEMAN: This measure is practically the same measure as has been introduced throughout British India and I think in all the Indian States, where cotton is extensively grown, such as Baroda, Hyderabad, Indore, etc. It is definitely intended to help the raiyat. In helping the raiyats, a certain amount of inconvenience is going to be caused to the ginner and to the manufacturer—that I take it is unavoidable. How is it going to help the raiyat ? In this way.

We have for several years been doing breeding work on the two main varieties of cotton grown in the State, *i.e.*, *Dodda hatti* and *Sanna hatti*. *Sanna hatti* is more important, and we have by selection been able to produce a variety of *Sanna hatti* known as Selection 69 which is distinctly superior to the ordinary mixture of *Sanna hatti*, as it is at present grown in Mysore. It is superior in ginning outturn. It is particularly superior in quality and colour. Now, that is where the merchant comes in. If you have cotton of very superior grade and white in colour and you mix it with a considerably larger quantity of cotton much duller in colour and you grade up the dull cotton spuriously, you get for it a price, which is not worthy of. At the same time, you reduce the price of the new selection that you are bringing in. That is bad enough, because it means that the raiyat does not get such a price for his superior kind as he would otherwise get.

Mixing must be done in the ginning factory itself. It cannot be done otherwise. That is a fact. The different grades of cotton cannot be mixed after the ginning process. By mixing during the ginning process, you throw out every year a lot of new seeds of a superior variety grown with so much skill and difficulty by the Agricultural Department. In this process of mixing superior with the inferior cotton, you mix a good seed with the bad and the seed thus thrown out is sold to the raiyat as the Selection Seed.

Since my return to Mysore I have done fairly extensive inspections of cotton fields where Selection 69 is being grown. I found that in villages not far distant from the Babbur Farm where seed had been got from the farm gins the crop was practically pure. On the other hand in villages nearer to Chitaldrug where seed had been obtained from the Chitaldrug gins the cotton was so badly mixed as no longer to be recognizable as Selection 69. If this state of affairs

continues, it will take a very long time before we get the whole of Chitaldrug District under Selection 69. This year, we shall have about 20,000 acres cultivated with Selection 69 which will bring to the district one lakh of rupees more than what it had been getting before. I want this Act to be introduced, because I want the raiyats of Mysore to get the full value for the new cotton that we have introduced. You cannot do that as long as the merchants mix it with the inferior quality.

MR. D. S. MALLAPPA : But, there is the fact that the raiyat sells his cotton with the seed to the merchants before it is mixed up ; so he gets price for the unmixed quality.

DR. COLEMAN : Certainly. When the mixture made in the factory goes to Bombay in bales, the price is fixed there. It is controlled solely by quality.

MR. D. S. MALLAPPA : How can the interests of the raiyats be affected by what the merchant does ?

DR. COLEMAN : The merchant gets it at the very cheapest price, he can before it is mixed. It is afterwards mixed with another inferior variety. The raiyat gets some benefit, but nothing like what he should get. Take, for instance, our superior sandalwood oil. Supposing we are to mix it with inferior oil. It gets a bad mark in Europe, where it is sold, with the result that the price goes down and the supplier's name is at stake. Similarly, all the cotton that we sell locally goes to Bombay. The price is fixed there. When they find that it is mixed, the raiyat does not get his proper price. He cannot expect for the adulterated article the same price as he would get for his original best quality.

MR. RAMACHANDRA RAO SCINDIA: The exporter sends his cotton to Bombay. He knows better which cotton fetches him a good price.

DR. COLEMAN : Yes. But the fact is, at present, the bales contain a mixture of a lot of brown and yellow stuff. Our Selection No. 69 is used to improve the colour.

MR. RAMACHANDRA RAO SCINDIA : All the same, the merchant knows how to mix in such a way as to command a better price.

DR. COLEMAN : That is all right ; but what about the raiyat ? The raiyat who produces our new variety could be sure of a good price only if our selection reached Bombay pure. The name is everything there. We cannot build up that name, unless the cotton that is sent to Bombay is very

pure. The other point is the mixing of the seed which is inevitable. I can assure you that this measure is one calculated to hasten the introduction of the improved variety of cotton to a very large extent in the State and is certain to benefit the raiyats of Mysore.

MR. B. NARASINGA RAO did not know how the raiyat would be protected by this measure, as he was at liberty to fix his own price for his cotton.

THE THIRD MEMBER OF COUNCIL said that the price was fixed on prices ruling in Bombay.

MR. JATRA NAIK said that mixing extremely good cotton produced in the Chitaldurg District with bad cotton, was going on in many places with the result that the name of the Chitaldurg cotton was at stake. In this view, he thought that a Regulation of this kind was absolutely necessary.

MR. BELUR SRINIVASIENGAR could not see how the raiyat would be benefited by this measure. He did not find a single provision referring to the raiyat at all. As this was a new Bill affecting the factory men of a particular kind, he thought that it should be printed and published for general criticism, as the time at present given was hardly sufficient for a detailed study of its provisions.

The motion was thereupon put to vote. Forty-three members voted in favour of the motion and 62 against.

At this stage, the Assembly rose for the day.